Maliyyə nəzarəti və audit

Ziya Mürsəlzadə

1025, 1026

1.Define information risk and explain how the financial statement auditing process

helps to reduce this risk, thereby reducing the cost of capital for a company.

2. Define and contrast financial statement auditing, attestation, and assurance

services.

3. Describe and define the assertions that management makes about the

recognition, measurement, presentation, and disclosure of the financial

statements and explain why auditors use them as the focal point of the audit.

4. Define professional skepticism and explain its key characteristics.

5. Describe the organization of public accounting firms and identify the various

services that they offer.

6. Describe the audits and auditors in governmental, internal, and operational

auditing.

7. List and explain the requirements for becoming a certified public accountant

(CPA) and other certifications available to an accounting professional.

8. Discuss the advantages and disadvantages of payback period, book rate of

return and solve the following problem:

9. Discuss the pitfalls of internal rate of return and solve the following problem:

10. Discuss the advantages and disadvantages of internal rate of return and solve

the following problem:

11. Discuss the full and flat price concepts in debt financing and solve the related

problem:

12. Discuss the matrix pricing on bonds and solve the following problem:

13. Discuss the Macaulay and modified duration and solve the following problem:

14. Discuss the term structure of interest rates and solve the following problem:

15. Discuss pecking order theory and find the value of the corporate bond:

16. Discuss different market types from which a company can achieve equity

investment and solve the following problem:

17. Discuss dividend discount model and solve the following problem:

18. Discuss the importance of growth rate for a company and solve the following

problem:

19. Discuss the importance of plowback and payout ratios for a company and solve

the following problem:

20. Discuss the advantages of profitability index and solve the related problem:

21. Discuss the weighted average profitability index and solve the following problem:

22. Discuss the importance of modified internal rate of return and solve the following

problem:

23. Discuss the importance of business valuation and solve the following problem:

24. Discuss the relationship between bond price and interest rates in the market and

solve the following problem:

25. Discuss the main characteristics of Ponzi Scheme and Ponzi Schemer.

26. Discuss the risk measures of the investment and solve the related problem

27. Discuss different types of risks in investment environment and solve the related problem

28. Discuss the optimal ways how portfolio risk and return can be optimized and solve the

following problem

29. Portfolio decision making problem based on calculation

30. Discuss the importance of Markowitz Portfolio Theory

31. Discuss Sharpe and Treynor’s ratios and solve the following problem

32. Discuss the difference between CML and SML and solve the related problem

33. Discuss the assumptions of CAPM and solve the related problem

34. Portfolio decision making problem based on calculation

35. Discuss the alternative theories to CAPM and solve the related problem

36. Discuss the logic behind M-squared performance measurement tool and solve the related

problem

37. Discuss the logic behind Jensen’s alpha performance measurement tool and solve the

related problem

38. EVA Calculation

39. Discuss the superiority of MVA and EVA over NPV and solve the related problem

40. Discuss the importance of Stern Steward model and solve the related problem

41. Discuss the concept of efficient frontier and solve the related problem

42. Variance and standard deviation calculation

43. Discuss the importance of EVA and MVA in performance measurement and and solve

the related problem

44. Each of the following statements is dangerous or misleading. Explain why.

a. A long-term United States government bond is always absolutely safe.

b. All investors should prefer stocks to bonds because stocks offer higher long-run rates of

return.

c. The best practical forecast of future rates of return on the stock market is a 5- or 10-year

average of historical returns.

45. Portfolio discussion problem based on calculation

46. Portfolio construction calculation

47. Investment decision making calculation question

48.Investment decision making calculation question

49.EVA calculation problem

50. Discuss the EVA and MVA methods in performance measurement and solve the

following problem.

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 51. Problem solving: forward contracts

52. Problem solving: optimal hedge ratio and optimal number of contracts to hedge.

53. Problem solving: fair forward stock price.

54. Problem solving: fair forward stock price.

1. Problem solving: optimal hedge ratio and optimal number of contracts to hedge.
2. Show how to construct the following option trading strategies:
3. Bull Spread
4. Straddle
5. Butterfly Spread

In doing so, make sure that you provide profit tables.

1. Problem solving: optimal hedge ratio and optimal number of contracts to hedge.
2. Problem solving: swaps
3. Show how to construct the following option trading strategies:
4. Butterfly Spread
5. Short Straddle
6. Bear Spread

In doing so, make sure that you provide profit tables.

1. Problem solving: swaps
2. Show how to construct the following option trading strategies:
3. Butterfly Spread with put options
4. Strangle
5. Bear Spread with put options

In doing so, make sure that you provide profit tables.

1. Show how to construct the following option trading strategies:

i) Strip

ii) Strap

iii)Strangle

In doing so, make sure that you provide profit tables.

1. Problem solving: swaps
2. Explain carefully the difference between hedging, speculation, and arbitrage.
3. What is the difference between the over-the-counter market and the exchange-traded market? What are the bid and offer quotes of a market maker in the over-the-counter market?
4. Explain why a futures contract can be used for either speculation or hedging.
5. Suppose that a March call option to buy a share for $50 costs $2.50 and is held until March. Under what circumstances will the holder of the option make a profit? Under what circumstances will the option be exercised? Draw a diagram illustrating how the profit from a long position in the option depends on the stock price at maturity of the option.
6. Suppose that a June put option to sell a share for $60 costs $4 and is held until June. Under what circumstances will the seller of the option (i.e., the party with the short position) make a profit? Under what circumstances will the option be exercised? Draw a diagram illustrating how the profit from a short position in the option depends on the stock price at maturity of the option.
7. Problem solving: margin call
8. Problem solving: margin call
9. Problem solving: optimal hedge ratio and optimal number of contracts to hedge.
10. Problem solving: fair forward stock price.
11. Problem solving: forward contracts
12. Problem solving: fair forward stock price.
13. Problem solving: fair forward stock price.